



DrillSafe Opening Address

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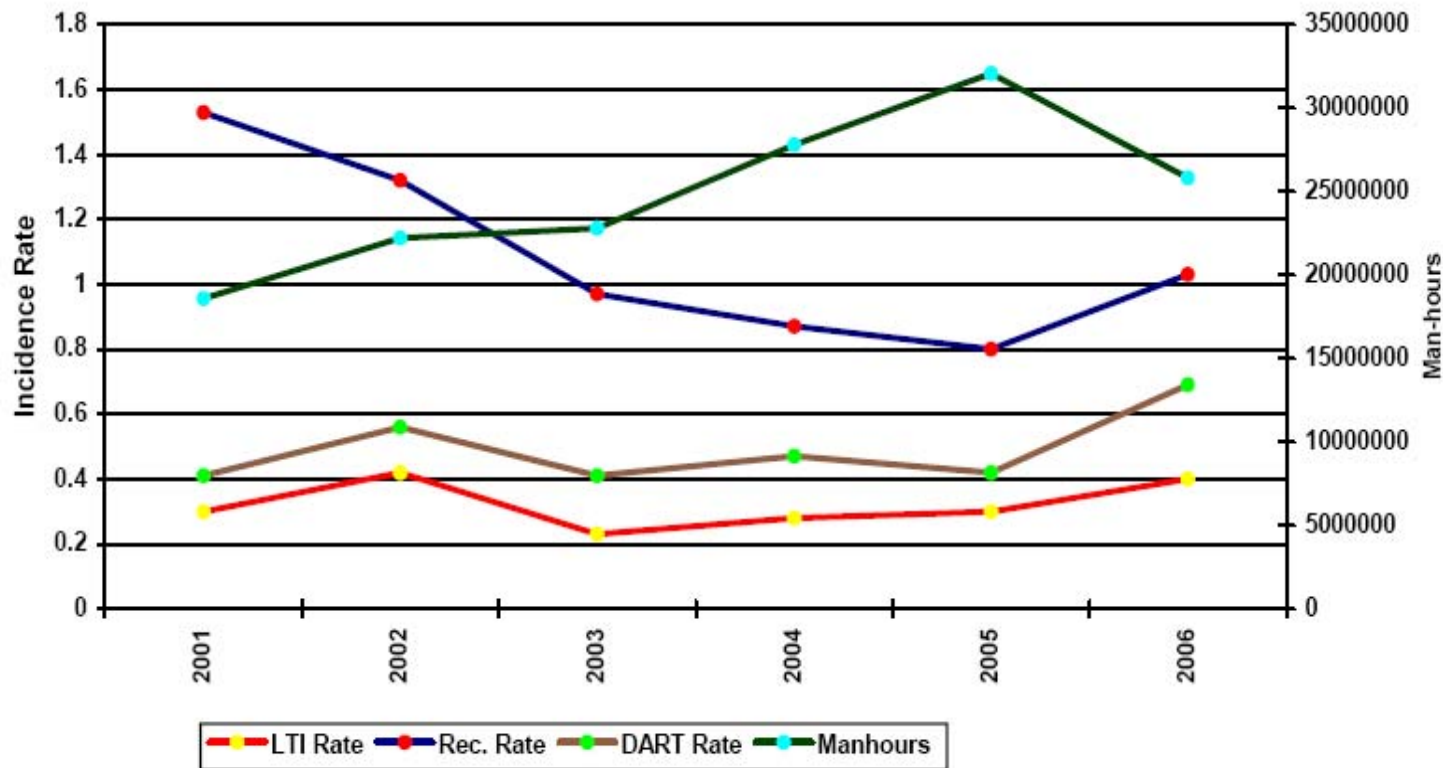
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Asia Pacific (Australia and Asia) Trend - IADC

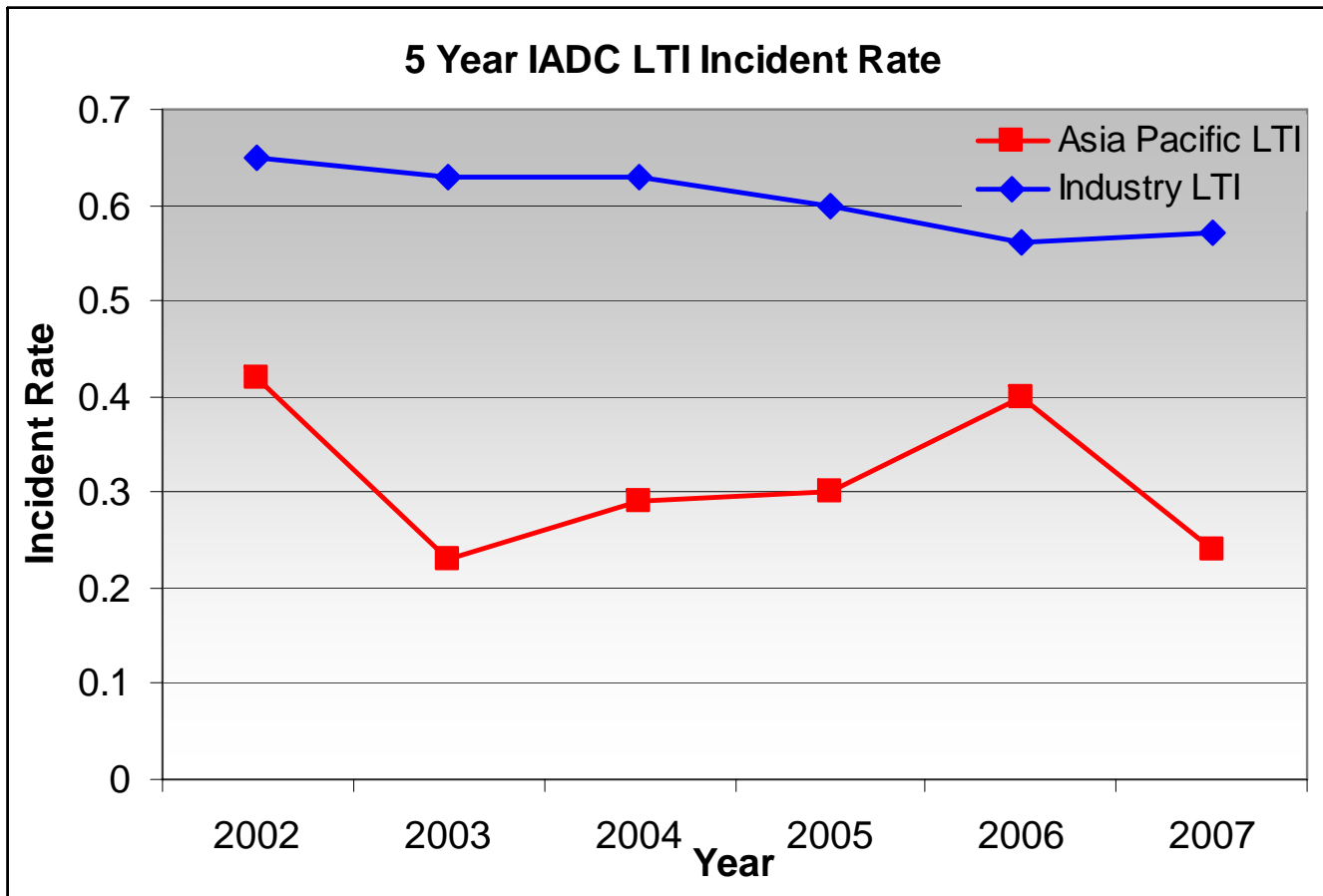
$LTI = (LTI + FTL \times 200,000) / \text{Total Man hours}$

$DART = (RWC + LTI + FTL) \times 200,000 / \text{Total Man hours}$

Asia Pacific Water Incidence Rates vs Man-hours (Figure 1)



Australasian Incident Trend



Conclusions

1. Significant Increase in Activity Across Industry since 2005
 - More 'Older' Rig Equipment
 - Maintenance systems 'stressed'
 - Increase in Latent Hazards

2. Increase in 'Green Hands' & 'Green Supervisors'
 - Traditional Youth Development Programs Not Keeping Pace
 - Are we doing enough as an Industry to Train & Attract New Talent

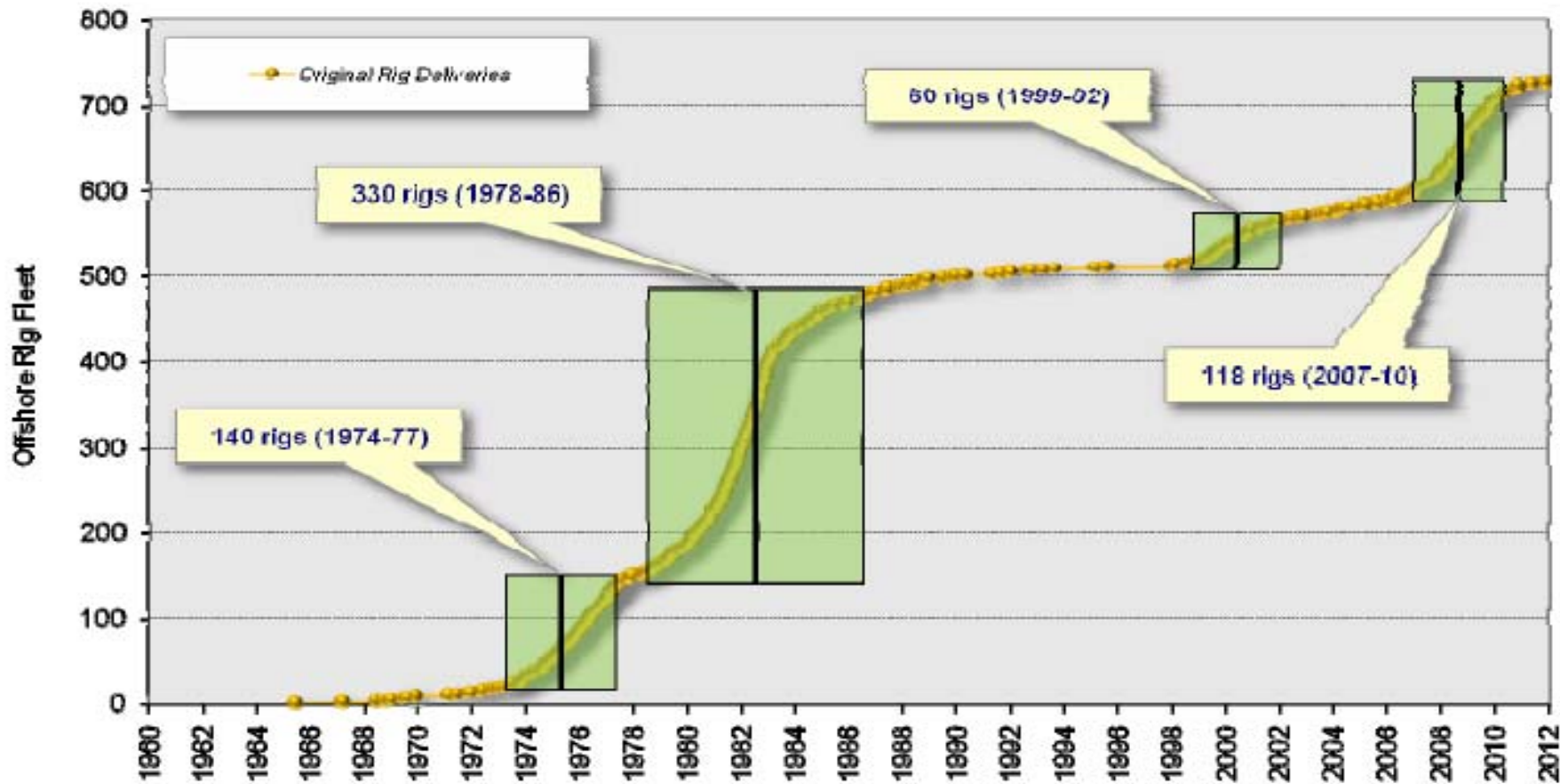
3. Increasing Trend in 'minor' injuries i.e. Recordable Injuries

4. Lesser Increasing Trend in Lost Time Injuries

5. WEL Increase in HPI's & HPH's

6. What Can We Expect in Next 3 – 5 Years?

The current oil-price driven boom has stimulated a burst of new build activity



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Rig Type	Current Fleet	Newbuild Delivery Schedule				Total	% of Current
		2007	2008	2009	2010+		
Floaters	204	1	17	26	16	60	29.4%
Jackups	406	12	35	23	7	77	19.0%
Other	82	2	1	0	0	3	3.7%
Total	692	15	53	49	23	140	20.2%

Will You Be Going Home?

A Managers Perspective

He's Never Going Home...



The common learning's and how do we apply them?



An examination of the investigation findings for both the Libya and Singapore fatal incidents have revealed failures in the following:

- Rule Compliance
- Risk Assessment
- Communication
- Training
- Planning
- Lessons learning

Key Messages

1. Over next 3 Years Demand for Skills is NOT going to reduce.
2. Increase In High Potential Incident Frequency as a result of stressed maintenance programs and skills dilution e.g. shortage of competent Subsea Engineers.
3. Increase in minor injuries and LTI's – mainly behaviour related (experience)
4. Ongoing Focus on Verification of Safety Case MAE safeguards & barriers will reduce HPI's.
5. Tools already Exist to minimise risk in behavioural related incidents:
 - Behavioural card programs e.g. STOP/ START / FOCUS etc
 - Step Back 5x5
 - Participation Levels can be low – is this a true reflection of our culture?

**Acceptance of Current Trends is NOT an Option
We Need to do More!**